## CITY OF BISMARCK EMPLOYEES PENSION FUND INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2005

									Current	Prior Year	3 Years	5 Years
		August 0	_			luk 0E			Fiscal YTD	FY05	5 rears Ended	5 Years Ended
		August-0		Month		July-05	ntion	Month	FISCAL TID	F 105	6/30/2005	6/30/2005
	Market Value	Alloca Actual		Month Net ROR	Market Value	Alloca Actual		Month Net ROR	Net ROR	Net ROR	Net	Net
LARGE CAP DOMESTIC EQUITY	iviai ket value	Actual	FUILLY	Netron	iviainet value	Actual	Fullcy	Netron	Net KOK	Net KOK	iver	iver
Structured Growth												
LA Capital	2,163,839	5.2%	5.1%	-0.36%	2,135,227	5.2%	5.1%	4.40%	4.03%	8.17%	N/A	N/A
Total Structured Growth	2,163,839	5.2%	5.1%	-0.36%	2,135,227	5.2%	5.1%	4.40%	4.03%	8.17%	10.28%	-9.00%
Russell 1000 Growth				-1.29%				4.89%	3.54%	1.67%	7.90%	-10.03%
Structured Value												
LSV	2,153,707	5.2%	5.1%	-0.34%	2,379,430	5.8%	5.1%	3.87%	3.51%	18.24%	9.48%	11.69%
Russell 1000 Value				-0.43%				2.89%	2.45%	14.06%	7.09%	3.03%
Enhanced Russell 1000 Index												
LA Capital	2,885,589	7.0%	6.9%	0.46%	2,863,512	6.9%	6.9%	4.08%	4.55%	7.39%	7.82%	N/A
Russell 1000	,,			-0.87%	,,.			3.89%	2.99%	7.92%	7.50%	N/A
Enhanced S&P 500 Index												
Northern Trust	2,845,068	6.9%	6.9%	-0.61%	2,827,229	6.8%	6.9%	3.82%	3.19%	6.02%	7.19%	N/A
Westridge	2,845,798	6.9%	6.9%	-0.89%	2,823,611	6.8%	6.9%	3.75%	2.82%	6.66%	7.25%	N/A
Total Enhanced S&P 500 Index	5,690,866	13.8%	13.7%	-0.75%	5,650,840	13.7%	13.7%	3.78%	3.00%	6.26%	7.74%	N/A
S&P 500	, ,			-0.91%	, ,			3.72%	2.77%	6.32%	7.06%	N/A
S&P 500 Index												
State Street	1,427,945	3.5%	3.4%	-0.91%	1,395,565	3.4%	3.4%	3.72%	2.77%	6.34%	7.07%	-3.00%
S&P 500				-0.91%				3.72%	2.77%	6.32%	7.06%	-3.03%
TOTAL LARGE CAP DOMESTIC EQUITY	14,321,946	34.7%	34.3%	-0.40%	14,424,574	34.9%	34.3%	3.94%	3.52%	8.65%	7.79%	-1.69%
S&P 500	,62 .,6 .6	0 ,0	0.1070	-0.91%	,,	0 110 / 0	0 1.070	3.72%	2.77%	6.32%	7.06%	-3.03%
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	4,536,429	11.0%	10.7%	-2.09%	4,858,098	11.8%	10.7%	6.81%	4.57%	9.36%	11.97%	N/A
Russell 2000 + 200bp				-1.69%				6.50%	4.71%	11.64%	12.64%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	4,536,429	11.0%	10.7%	-2.09%	4,858,098	11.8%	10.7%	6.81%	4.57%	9.36%	11.97%	4.70%
Russell 2000				-1.85%				6.34%	4.36%	9.45%	11.04%	4.71%
INTERNATIONAL FOURTY												
INTERNATIONAL EQUITY  Large Cap - Core												
State Street	128.506	0.3%	0.3%	2.53%	127,156	0.3%	0.3%	3.04%	5.65%	7.68%	6.63%	-2.56%
MSCI EAFE (1)	120,300	0.5 /6	0.3 /6	2.53%	127,130	0.5 /6	0.3 /6	3.07%	5.67%	9.59%	6.00%	-3.56%
• •				2.0070				0.0170	0.0770	0.0070	0.0070	0.0070
Large Cap - Active Capital Guardian	383,669	0.9%	0.9%	3.17%	378,661	0.9%	0.9%	3.46%	6.75%	11.23%	5.89%	-3.81%
LSV	381,668	0.9%	0.9%	1.77%	374,678	0.9%	0.9%	3.45%	5.27%	11.23% N/A	5.69% N/A	-3.61% N/A
Bank of Ireland	126,228	0.3%	0.3%	0.94%	124,656	0.3%	0.3%	3.29%	4.26%	12.20%	N/A	N/A
Total Large Cap - Active	891,565	2.2%	2.1%	2.26%	877,995	2.1%	2.1%	3.43%	5.76%	13.74%	5.55%	-3.78%
MSCI EAFE - 50% Hedged	001,000	,	2.170	1.95%	0.1,000	21170	,0	3.40%	5.42%	14.41%	5.92%	-3.60%
Small Cap - Active												
Lazard	129,355	0.3%	0.3%	2.74%	128,623	0.3%	0.3%	4.14%	6.99%	19.82%	N/A	N/A
Wellington	137,712	0.3%	0.3%	1.43%	126,938	0.3%	0.3%	3.53%	5.00%	12.00%	N/A	N/A
Total Small Cap - Active	267,068	0.6%	0.6%	2.09%	255,561	0.6%	0.6%	3.83%	6.00%	15.90%	N/A	N/A
Citigroup Broad Market Index < \$2BN	,,,,,,			3.00%	,			3.90%	7.02%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,287,138	3.1%	3.0%	2.25%	1,260,713	3.1%	3.0%	3.47%	5.80%	13.12%	7.85%	-1.83%
MSCI EAFE - 50% Hedged	1,201,100	0.170	0.070	1.95%	1,200,710	0.170	0.070	3.40%	5.42%	14.41%	5.92%	-3.60%
EMERGING MARKETS EQUITY												
Capital Guardian	491,682	1.2%	1.1%	0.01%	491,623	1.2%	1.1%	7.06%	7.07%	33.94%	13.64%	-0.44%
UBS	170,265	0.4%	0.4%	1.36%	167,859	0.4%	0.4%	N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	661,947	1.6%	1.5%	0.35%	659,482	1.6%	1.5%	7.06%	7.44%	33.94%	13.64%	-0.44%
MSCI Emerging Markets Free				0.90%				7.08%	8.04%	34.89%	15.55%	2.97%
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	1,615,580	3.9%	3.9%	1.15%	1,720,985	4.2%	4.9%	-0.58%	0.57%	7.25%	5.18%	7.52%
Lehman Aggregate	, ,			1.28%	, ,			-0.91%	0.36%	6.80%	3.58%	6.07%
Index												
Bank of ND	3,205,882	7.8%	8.7%	1.67%	3,074,881	7.4%	8.7%	-1.22%	0.42%	7.23%	3.82%	6.36%
Bank of ND Match Loan CD Program	529,247	1.3%	1.3%	0.43%	529,423	1.3%	1.3%	0.42%	0.85%	5.08%	3.90%	4.67%
Total Index	3,735,129	9.1%	10.0%	1.36%	3,604,304	8.7%	10.0%	-0.81%	0.54%	6.91%	3.74%	6.10%
Lehman Gov/Credit				1.49%				-1.13%	0.35%	7.26%	4.07%	6.28%
Convertibles												
TCW	1,604,386	3.9%	3.9%	-0.29%	1,369,871	3.3%	3.4%	2.77%	2.47%	-0.23%	9.71%	-2.10%
Merrill Lynch All Convertibles				-0.07%				3.19%	3.13%	0.66%	10.83%	0.99%

## CITY OF BISMARCK EMPLOYEES PENSION FUND INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2005

Mary Number   Mary   Mary Number   Mary Nu	INVESTMENT PERFORMANCE REP	OKT AS OF A	100031	31, 20	US .								
Allocation   All			August C				luk 05			Current	Prior Year	3 Years	5 Years
Bell Average Quality   Melis Capital (Fermity Strong)   1,694,296   4.1%   3.9%   1.59%   1.597,249   4.9%   4.9%   4.9%   0.59%   0.75%   0					Month				Month	FISCAL Y I D	F Y U5		6/30/2005
Melis Capital (formerity Strong)		Market Value				Market Value				Net ROR	Net ROR		Net
Lehman Aggraphic   1,691,727   3,89   3,89   1,894   154,880   0,49   0,894   0,894   0,894   1,591,727   3,89   3,89   1,894   154,880   0,49   0,894   0,894   0,894   1,691,727   1,794	BBB Average Quality												
Private Date   1,581,727   3.8%   3.8%   1.58%   154,860   0.4%   0.4%   0.8%   0.70%   NA   NA   NA   NA   NA   NA   NA   N		1,694,256	4.1%	3.9%		1,972,649	4.8%	4.9%					<b>6.57%</b> 6.25%
Production   1,581,727   3.8%   3.8%   1.58%   15.8%   15.8%   0.4%   0.4%   0.4%   0.4%   0.09%   0.36%   N/A   N/A	Private Debt												
Timberland		1,581,727	3.8%	3.8%	1.58%	154,860	0.4%	0.4%	-0.86%	0.70%	N/A	N/A	N/A
RIMK	Lehman Aggregate	, ,			1.28%				-0.91%	0.36%		N/A	N/A
RIMK	Timberland												
Total Timberland Motox  FORGEF Imberland Index  FORGEF		1,712,582	4.2%	4.2%	-0.08%	1,937,982	4.7%	4.7%	-0.08%	-0.16%	14.50%	7.45%	N/A
1.22%   1.23	TIR	4,305,118		10.4%	-0.03%	4,871,745	11.8%	11.8%	-0.03%	-0.06%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME   16,248,777   38.4%   40.0%   0.62%   12.8%   12.8%   0.37%   0		6,017,700	14.6%	14.6%		6,809,727	16.5%	16.5%					N/A
Lehman Aggregate	NCREIF Timberland Index				1.22%				1.22%	2.45%	14.07%	3.53%	N/A
HIGH YIELD BONDS  Loomis Sayles  Loo		16,248,777	39.4%	40.0%		15,632,396	37.9%	40.0%					5.26%
Loomis Sayles   1,845   1,876   1,877   1,276   1,876   1,876   1,877   1,27	Lehman Aggregate				1.28%				-0.91%	0.36%	6.80%	3.58%	6.07%
Loomis Sayles   1,845   1,876   1,877   1,276   1,876   1,876   1,877   1,27	HIGH VIELD BONDS												
Lehman High Yellor Cash Pay Index  TOTAL FUELD BONDS Lehman High Yellor Bond Index  TOTAL HIGH YELD BONDS Lehman High Yellor Bond  TOTAL HIGH YELD BONDS Lehman High Yellor Bond  TOTAL HIGH YELD BONDS Lehman High Yellor Bond  TOTAL HIGH YELD BON		734 260	1 8%	1 2%	0.37%	737.062	1 8%	1 8%	1 66%	2 03%	15 06%	N/A	N/A
TOTAL HIGH WILD BONDS   1,466,762   3.6%   3.5%   3.5%   3.5%   3.5%   3.5%   1.6%   1.89%   10.63%   N/A	•	734,200	1.070	1.070		737,002	1.070	1.076					N/A
Memil Lymph High Yield Master II Index		732 502	1 8%	1 2%		725 811	1 8%	1 8%					N/A
Lehman High Yeid Bond Indox		732,302	1.070	1.078		723,011	1.070	1.070					N/A
Lehman High Yeid Bond Indox	TOTAL HIGH VIELD BONDS	1 466 762	3.6%	3 5%	0.31%	1 462 974	3.5%	3 5%	1 7/10/	2.06%	12 76%	0 68%	3.43%
NTERNATIONAL FIXED INCOME International Sovereign   USB Global (Binson)   385,096   0.9%   1.0%   1.59%   365,261   0.9%   1.0%   -0.66%   0.91%   7.52%   8.76%   6. Cigroup Non-US Gov/ Bond Index (2)   1.85%   1		1,400,702	3.070	3.370		1,402,014	3.370	3.576					5.67%
International Sovereign   UBS Global (Birmson)   385,096   0.9%   1.0%   1.59%   1.68%   1.69%   0.9%   1.0%   0.66%   0.91%   7.52%   8.56%   6.1													
UBS Global (Brinson)   385,096   0.9%   1.0%   1.59%   365,261   0.9%   1.0%   0.06%   0.91%   7.22%   8.76%   6.10	INTERNATIONAL FIXED INCOME												
Citigroup Non-US Gov't Bond Index (2)   1.85%   1.85													
International Core   Brandywine   383,754   0.9%   1.0%   1.46%   392,230   0.9%   1.0%   -0.55%   0.91%   11.78%   N/A		385,096	0.9%	1.0%		365,261	0.9%	1.0%					6.79%
Brandywine					1.85%				-0.98%	0.85%	7.75%	8.56%	6.51%
Lehman Global Aggregate (ex-US)   1.89%   1.													
TOTAL INTERNATIONAL FIXED INCOME   Citigroup Non-US GOV1 Band Index (2)   1.85%   1.85%   1.85%   1.85%   0.85%   0.85%   0.85%   7.75%   8.56%   6.1		383,754	0.9%	1.0%		392,230	0.9%	1.0%					N/A
REAL ESTATE													N/A
REAL ESTATE   INVESCO		768,850	1.9%	2.0%		757,491	1.8%	2.0%					6.91%
INVESCO	Citigroup Non-US Gov't Bond Index (2)				1.85%				-0.98%	0.85%	7.75%	8.56%	6.51%
INVESCO	REAL ESTATE												
J.P. Morgan		594.233	1.4%	1.5%	-1.39%	602.625	1.5%	1.5%	0.00%	-1.39%	N/A	N/A	N/A
NATERNATIVE INVESTMENTS													7.15%
ALTERNATIVE INVESTMENTS  Coral Partners V  26,592  0.00%  27,398  0.00%  0.00%  1,17%  18,86%  22,37%  19,910  10,00%  10,00%  10,00%  10,00%  10,00%  10,00%  10,00%  11,17%  11,287	TOTAL REAL ESTATE	1,211,500	2.9%	3.0%	0.17%	1,209,488	2.9%	3.0%	0.49%	0.66%	19.52%	7.15%	7.15%
Coral Partners V   26,592   0.00%   27,398   0.00%   0.00%   -18,97%   -18,86%   -19.	NCREIF TOTAL INDEX				1.75%				1.75%	3.53%	18.02%	7.29%	7.95%
Coral Partners V   26,592   0.00%   27,398   0.00%   0.00%   -18,97%   -18,86%   -19.													
Coral Partners V - Supplemental   3.250   0.00%   3.348   0.00%   0.00%   -6.85%   -2.23%		00.500			0.000/	07.000			0.000/	0.000/	40.070/	40.000/	40.040/
Coral Partners VI													-19.31% N/A
Brinson 1998 Partnership Fund   7,811   0.00%   9,048   0.00%   0.00%   19,64%   -2.29%   -5.													N/A
Brinson 1999 Partnership Fund   14,604   0.00%   15,048   0.00%   0.00%   0.00%   0.00%   14.97%   -1.36%   -6.													-5.29%
Brinson 2001 Partnership Fund   18,284   0.00%   18,840   0.00%   0.00%   0.00%   4.00%   0.09%   7.67%   7.		14,604			0.00%	15,048			0.00%	0.00%	9.31%	-1.36%	-6.39%
Brinson 2002 Partnership Fund   11,287   0.00%   10,454   0.00%   0.00%   -4.22%   7.67%   Brinson 2003 Partnership Fund   2,196   0.00%   8,631   0.00%   0.00%   1.71%   N/A   Srinson 2000 Non-US Partnership Fund   9,944   0.00%   10,246   0.00%   0.00%   0.00%   15.57%   8.11%   1.87%   1.	Brinson 2000 Partnership Fund	30,193			0.00%	31,111			0.00%				-3.53%
Brinson 2003 Partnership Fund   2,196   0.00%   2,263   0.00%   0.00%   1.71%   32.09%   11.06%   5.5   11.06%   5.5   11.06%   15.57%   11.06%   5.5   11.06%   11													N/A
Brinson 1999 Non-US Partnership Fund   9,944   0.00%   10,246   0.00%   0.00%   32,09%   11,06%   5.12%   15,75%   10,00%   10,246   0.00%   0.00%   0.00%   15,57%   11,06%   5.12%   15,12%	·												N/A
Brinson 2000 Non-US Partnership Fund   9,944   0.00%   10,246   0.00%   0.00%   0.00%   15.57%   8.11%   1.246   0.00%   0.0													N/A 5.27%
Brinson 2001 Non-US Partnership Fund   9,995   0.00%   8,550   0.00%   0.00%   0.00%   9.19%   5.12%   Fund   12,843   0.00%   16,068   0.00%   0.00%   0.00%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   7.72%   12.60%   12.60%   7.72%   12.60%   12													1.89%
Brinson 2002 Non-US Partnership Fund   12,843   0.00%   16,068   0.00%   0.00%   0.00%   12,60%   7.72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   17,72%   12,60%   12,													N/A
Brinson 2003 Non-US Partnership Fund   5,583   0.00%   5,753   0.00%   0.00%   2.52%   N/A	•												N/A
Brinson BVCF IV   43,129   0.00%   46,385   0.00%   0.00%   6.06%   1.13%   -8.												N/A	N/A
Mattin Patterson Global Opportunities         45,574         0.00%         51,487         0.00%         0.00%         102.75%         N/A           Mattin Patterson Global Opportunities II         30,139         0.00%         24,884         0.00%         0.00%         N/A         N/A           InvestAmerica         7,748         0.00%         7,983         0.00%         0.00%         -18.88%         -6.88%           Hearthstone MSII         0         0.00%         0         0.00%         0.00%         1214.92%         18.39%         13.           Hearthstone MSIII         45,762         0.00%         47,154         0.00%         0.00%         16.51%         N/A           TOTAL ALTERNATIVE INVESTMENTS (3)         360,244         0.9%         1.0%         0.00%         372,406         0.9%         1.0%         0.00%         17.54%         3.01%         -3.           CASH EQUIVALENTS         Northern Trust STIF/STEP         362,161         0.9%         1.0%         0.28%         653,476         1.6%         1.0%         1.56%         1.84%         2.19%         1.71%         2.           TOTAL FUND         41,225,754         10.0%         100.0%         -0.03%         41,290,998         10.0%         10.0% <td></td> <td>N/A</td>													N/A
Mattin Patterson Global Opportunities II   30,139   0.00%   24,884   0.00%   0.00%   0.00%   N/A   InvestAmerica   7,748   0.00%   7,983   0.00%   0.00%   0.00%   124,82%   18.39%   13.   Hearthstone MSIII   45,762   0.00%   47,154   0.00%   0.00%   0.00%   16.51%   N/A   TOTAL ALTERNATIVE INVESTMENTS (3)   360,244   0.9%   1.0%   0.00%   372,406   0.9%   1.0%   0.00%   0.00%   17.54%   3.01%   -3.   CASH EQUIVALENTS   Northern Trust STIF/STEP   362,161   0.9%   1.0%   0.28%   653,476   1.6%   1.0%   1.56%   1.84%   2.19%   1.71%   2.1   0.29%   0.29%   0.29%   0.29%   0.29%   0.29%   0.23%   0.52%   2.15%   1.01%   2.2   0.23%   0.25%													-8.29%
InvestAmerica   7,748   0.00%   7,983   0.00%   0.00%   0.00%   18.88%   -6.88%   Hearthstone MSII   0   0.00%   47,154   0.00%   0.00%   10.00%   1214.92%   18.39%   13.													N/A
Hearthstone MSII													N/A N/A
Hearthstone MSIII													13.51%
TOTAL ALTERNATIVE INVESTMENTS (3) 360,244 0.9% 1.0% 0.00% 372,406 0.9% 1.0% 0.00% 0.00% 17.54% 3.01% -3.  CASH EQUIVALENTS  Northern Trust STIF/STEP 90 Day T-Bill  TOTAL FUND  41,225,754 100.0% 100.0% -0.03% 41,290,998 100.0% 100.0% 2.26% 2.23% 13.81% 11.53% 4.		_											N/A
Northern Trust STIF/STEP 362,161 0.9% 1.0% 0.28% 653,476 1.6% 1.0% 1.56% 1.84% 2.19% 1.71% 2.0 0.29% 0.52% 0.52% 2.15% 1.01% 2.1 0.00 0.00 0.00 0.00 0.00 0.00 0.00	TOTAL ALTERNATIVE INVESTMENTS (3)	360,244	0.9%	1.0%	0.00%		0.9%	1.0%			17.54%		-3.42%
Northern Trust STIF/STEP 362,161 0.9% 1.0% 0.28% 653,476 1.6% 1.0% 1.56% 1.84% 2.19% 1.71% 2.0 0.29% 0.52% 0.52% 2.15% 1.01% 2.1 0.00 0.00 0.00 0.00 0.00 0.00 0.00													
90 Day T-Bill 0.29% 0.23% 0.52% 2.15% 1.01% 2.2  TOTAL FUND 41,225,754 100.0% 100.0% -0.03% 41,290,998 100.0% 100.0% 2.26% 2.23% 13.81% 11.53% 4.		000 101	0.00/	4 001	0.0001	050 455	4.00/	4 001	4 =001	4.0.404	0.4004	4 = 401	0.0501
TOTAL FUND 41,225,754 100.0% 100.0% -0.03% 41,290,998 100.0% 100.0% 2.26% 2.23% 13.81% 11.53% 4.		362,161	0.9%	1.0%		653,476	7.6%	1.0%					<b>2.65%</b> 2.29%
	00 Day 1 Dill				0.23/0				0.20/0	J.JZ /0	2.10/0	1.01/0	2.23/0
	TOTAL FUND	41,225,754	100.0%	100.0%	-0.03%	41,290,998	100.0%	100.0%	2.26%	2.23%	13.81%	11.53%	4.95%
POLICY TARGET BENCHMARK 0.15% 1.86% 2.02% 8.15% 8.59% 3.	POLICY TARGET BENCHMARK				0.15%				1.86%	2.02%	8.15%	8.59%	3.87%

NOTE: Monthly returns and market values are preliminary and subject to change.

<sup>(1)</sup> This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.